

RECORDATION NO. 3609

RECEIVED DEC 14 1976

DEC 14 9 59 AM 1976

Grand Trunk Western Railroad Co

131 West Lafayette Boulevard
Detroit, Michigan 48226

December 9, 1976 I. C. C. FEE OPERATION DR.

Mr. Robert L. Oswald
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RE: Grand Trunk Western Railroad Company-
Chattel Mortgage

Dear Mr. Oswald:

I am enclosing for filing pursuant to Section 20c of the Interstate Commerce Act the following:

1. three executed counterparts of a Chattel Mortgage dated as of January 1, 1976 from Grand Trunk Western Railroad Company to Grand Trunk Leasing Corporation; and
2. check for \$50.00.

The name and address of the Mortgagor is Grand Trunk Western Railroad Company, 131 West Lafayette Boulevard, Detroit, Michigan.

The name and address of the Mortgagee is Grand Trunk Leasing Corporation, 477 Congress Street, Portland, Maine, 04112.

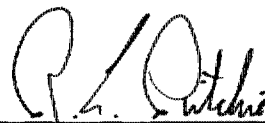
This Chattel Mortgage covers various items of railroad rolling stock more particularly described in Exhibit 1-D attached hereto.

Please return one counterpart of the Chattel Mortgage bearing the Interstate Commerce Commission stamp evidencing the filing and recording of the Chattel Mortgage under Section 20c of the Interstate Commerce Act to the attention of David B. Siegel at Kelley Drye & Warren, 350 Park Avenue, New York, New York, 10022.

Very truly yours,

GRAND TRUNK WESTERN RAILROAD COMPANY

By



R. L. Ritchie
Treasurer

Box Cont

516 GTW	814*819*831*836*837*884*	6
516 GTW	627*659*669*694*736*785*788*	7
516 GTW	844*890*893*	3
516 GTW	794*	1
516 GTW	600*608*683*	3
516 GTW	848	1
PULLMAN STANDARD CAR MFG CO. 110M 40FT. *125M 40FT.		279
595 GTW	706	1
595 GTW	717	1
595 GTW	731	1
595 GTW	908	1
595 GTW	849	1
595 GTW	857	1
595 GTW	728-753-764-765-786-798-808-847-853-884-922-933-945-947-949-	15
595 GTW	732-755-824	3
595 GTW	746-748-939-942	4
595 GTW	726-742-784-819-839-864-875-877-901	9
595 GTW	702-785-787-811-816-817-837-867	8
595 GTW	873-928	2
595 GTW	804-852-859-866-885-888-894-923-940	9
595 GTW	730-783-802-812-813-848-915-944	8
595 GTW	711-716-754-818-823-827-829-832-865-882-887-902-912-934	14
595 GTW	715*761-777-855-911-913-930	7
595 GTW	762*768-775-906-909	5
595 GTW	790-880-886	3
595 GTW	834-841-860-935	4

Box Cont				
595 GTW	840 [✓] -881 [✓]			2
595 GTW	718-767-772-782-788-825-838			7
595 GTW	779 [✓] -868 [✓]			2
595 GTW	703-705-707-741-778-792-800-883-917-920-932-941			12
595 GTW	739			1
595 GTW	747-796 [✓] -806 [✓] -809 [✓] -871 [✓] -905			6
595 GTW	781			1
595 GTW	729			1
GENL. AMERICAN TRAMP CO. (1953)		110M 50 FT. HIGH 50 FT.	V-115M 50 FT.	129
596 GTW	015-023-024-027-033-034-038-042	AMERICAN CAR FOUNDRY (1954)		8
595 GTW	984-985-990	AMERICAN CAR FOUNDRY (1954)		3
596 GTW	029	AMERICAN CAR FOUNDRY (1954)		1
596 GTW	020-030	AMERICAN CAR FOUNDRY (1954)		2
595 GTW	964	AMERICAN CAR FOUNDRY (1954)		1
596 GTW	018-039	AMERICAN CAR FOUNDRY (1954)		2
595 GTW	989-998-596006	AMERICAN CAR FOUNDRY (1954)		3
596 GTW	025	AMERICAN CAR FOUNDRY (1954)		1
596 GTW	026	AMERICAN CAR FOUNDRY (1954)		1
595 GTW	954-965-981-995-596003	AMERICAN CAR FOUNDRY (1954)		5
596 GTW	014-037-040-049	AMERICAN CAR FOUNDRY (1954)		4
596 GTW	006	AMERICAN CAR FOUNDRY (1954)		1
596 GTW	004	AMERICAN CAR FOUNDRY (1954)		1
596 GTW	019-028-035	AMERICAN CAR FOUNDRY (1954)		3
595 GTW	968-974-596002	AMERICAN CAR FOUNDRY (1954)		3
596 GTW	013	AMERICAN CAR FOUNDRY (1954)		1
		110M 50 FT.		40
TOTAL BOX CARS				721

SHEET 5 OF 6 SHEETS									
GONDOLA Cont									
146 GTW	189-196-217-224-242-278-295-296								8
146 GTW	198-247								2
146 GTW	178-181								2
GENERAL AMERICAN TRANSP. CO. (1954)					1544	1986 cubic FT.			180
TOTAL GONDOLAS									500

HOPPER

111	GTW	610-621-630-648-657-667-670-688-696-697-698-704-710-713-725-732-739-741-746-747-782-783-786-790-791-797-798-802-803-810-811-812-816-827-835-837-838-840-841-847-854-858-859-869-870-873-880-888-889-900-904-911-915-920-934-945-954-956-957-964-970-971-974-977-978-993-896	86	
112	GTW	005-006-016-017-027-028-029-030-033-048-051-063-067-076-079-082-084-087-089		
112	GTW	099	1	
111	GTW	649	1	
111	GTW	633	1	
112	GTW	051	1	
		AMERICAN CAR FOUNDRY COOP. (1952)	154M 2773 C.L. FT.	80
112	GTW	101-102-103-104-105-107-109-111-112-113-114-115-116-117-118-120-121-123-124-125-126-128-129-130-131-132-134-135-136-137-138-140-141-142-143-145-147-148-150-152-153-154-155-156-159-161-163-164-165-166-167-168-170-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196	77	
		AMERICAN CAR FOUNDRY IND. INC. (1957)	154M 2608 C.L. FT.	77

113	6TW	700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-747-748-749-750-751-752-753-754-755-756-757-758-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-801-802-803-804-805-806-807-808-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-	120
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HOPPER Cont

113 GTW 825-827-828-829-830-832-833-834-835-836-837-838-839-840-841-
842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-
857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-
872-873-874

48

AMERICAN CAR FOUNDRY (1953) 154M 1958 Cubic Ft

168

TOTAL HOPPERS

335

TOTAL Gondolas & HOPPERS

862

REFRIGERATOR

206 GTW 403-407-418-428-430-431-438-454

PACIFIC CAR & FOUNDRY CO. (1955)

110M 2395 Cubic Ft.

8

TOTAL REFRIGERATOR

8

WOODCHIP

454 GTW 002-004-005-008-009

5

1154 GTW 011

1

454 GTW 017-018-019-020-021

5

AMERICAN CAR FOUNDRY CORP (1952) 154M 2773 Cubic Ft.

11

TOTAL WOODCHIP

11

LEASE No. 2

Loco

42

FTC.

1613

1655

LEASE #6

LOCOMOTIVES

DWP

3600-3601-3602-3603-3604-
3605-3606-3607-3608-3609-
3610-3611-3612-3613-3614

ALCO. PRODUCTS, INC. (1956) 1800 H.P.

15

TOTAL LOCOMOTIVES

15

HOPPER

DWP

113 728-759

AMERICAN CAR & FOUNDRY CO. (1953)¹⁵⁴⁴ 1958 culmoff Corp.

2

TOTAL HOPPERS

2

LEASE NO. 6

17

LEASE #9

LOCOMOTIVES

CV

4442-4443-4444-4445-4446

4447-4448-4449-4450

ELECTRO-MOTIVE DIV^{CH} (1956) 1750 H.P.

9

CV

4558-4559

ELECTRO-MOTIVE DIV^{CH} (1957) 1750 H.P.

2

CV

4902-4903-4904-4905-4906

ELECTRO-MOTIVE DIV^{CH} (1956) 1750 H.P.

5

TOTAL LOCOMOTIVES

16

LEASE NO. 9

16

RECORDATION NO. 9609/B Filed & Recorded

CHATTEL MORTGAGE

JAN 14 1976 12 12 PM

INTERSTATE COMMERCE COMMISSION

THIS CHATTEL MORTGAGE dated as of January 1, 1976

from Grand Trunk Western Railroad Company, a Michigan and Indiana corporation, having its principal office at 131 West Lafayette Boulevard, Detroit, Michigan (hereinafter referred to as "GTW"), to Grand Trunk Leasing Corporation, a Delaware corporation (hereinafter referred to as "Leasing").

WHEREAS, Leasing owns certain railroad rolling stock identified by type and road number in Exhibit 1-D annexed hereto (hereinafter referred to as the "Series D Equipment"), and the Series D Equipment is now used by GTW, Duluth, Winnipeg and Pacific Railway Company, a Maine corporation, and Central Vermont Railway, Inc., a Vermont corporation, and is subject to leasing arrangements between Leasing and GTW, Duluth Winnipeg and Pacific Railway Company and Central Vermont Railway, Inc.; and

WHEREAS, pursuant to an agreement dated as of January 1, 1976 (hereinafter referred to as the "Purchase Agreement"), Leasing has agreed to sell and GTW has agreed to purchase, inter alia, the Series D Equipment, subject to the aforesaid leasing arrangements, upon the terms and conditions set forth in the Purchase Agreement; and

WHEREAS, GTW has authorized the issuance, execution and delivery of a promissory note (hereinafter referred to as the "Series D Note") of substantially the tenor set forth in Exhibit 2 annexed hereto evidencing GTW's obligation to pay to Leasing the purchase price of the Series D Equipment in accor-

dance with the terms of the Purchase Agreement;

NOW THEREFORE, THIS INSTRUMENT WITNESSETH that, to secure the payment of the purchase price of the Series D Equipment as aforesaid and of the Series D Note, and in consideration of the sum of \$10.00 to GTW in hand paid by Leasing at or before the execution and delivery of these presents, receipt of which is hereby acknowledged, GTW does hereby grant, bargain, sell, transfer, assign and mortgage unto Leasing, its successors and assigns, the Series D Equipment.

TO HAVE AND TO HOLD all and singular the said Series D Equipment bargained and sold, unto Leasing, its successors and assigns, forever, upon condition that if GTW shall pay or cause to pay to Leasing the sum of eight million, five hundred eighty-nine thousand, thirty-one and 56/100 dollars (\$8,589,031.56) pursuant to the terms of the Series D Note, then these presents shall be void.

BUT IN CASE OF ANY DEFAULT in the payment of any of the indebtedness above mentioned, or in the performance by GTW of any of the covenants contained herein, Leasing shall have full power, and it shall be lawful for, and GTW does hereby irrevocably authorize and empower Leasing to enter upon the premises of GTW, or any other place where the said Series D Equipment may be, and take possession thereof, and remove the same, and to sell the same at public or private sale, and the avails, after deducting all expenses of the sale and the keeping of the Series

D Equipment and the expenses and the costs of legal proceedings, if any, to apply in payment of whole of the indebtedness above mentioned, whether or not the same shall at such time be matured, and Leasing may purchase all or any part of the Series D Equipment at any such sale in the same manner and to the same effect as a person not interested therein. If for any cause the said Series D Equipment shall on such sale fail to satisfy the whole of said expenses, costs and indebtedness, GTW covenants to pay the deficiency.

AND IT IS EXPRESSLY AGREED, that if default be made in any payment of interest or principal due in accordance with the terms of the Series D Note, or in the performance of any of the terms of this mortgage, then and in that event, the entire amount then unpaid shall immediately become due and payable.

AND IT IS EXPRESSLY AGREED, that the failure on the part of Leasing to demand the entire payment after default in one or more payments by GTW shall not be deemed a waiver by Leasing of its right to make immediate demand for the entire amount remaining unpaid, or to take immediate repossession of the Series D Equipment or its right to immediately foreclose said mortgage, and any payments made subsequent to said default, and the acceptance of said payments, shall not be deemed a waiver of such rights.

GTW covenants with Leasing as follows:

1. That GTW will pay the indebtedness above mentioned.

2. That GTW will not lease, sell or convey the Series D Equipment except with the written consent of Leasing.

3. That GTW will not make a second mortgage or otherwise create a lien of any nature upon the Series D Equipment without the written consent of Leasing.

4. That GTW hereby assumes the risk of loss, injury or destruction of the Series D Equipment from any cause whatsoever and such loss, injury or destruction shall not operate in any manner to release GTW from the obligation to make payments in accordance with the terms of the Series D Note.

THIS MORTGAGE, and each of the conditions, provisions and covenants herein contained shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto and may not be modified, in whole or in part, without their prior written consent.

IN WITNESS WHEREOF, GTW has caused this instrument to be duly executed under its corporate seal this 8th day of December , 1976.

GRAND TRUNK WESTERN RAILROAD COMPANY

Attest:

E. S. Sartaine
Secretary

By

John H. S. Burdakin

STATE OF MICHIGAN)
 : SS.:
COUNTY OF WAYNE)

December, 1976

On this 8th day of / before me personally appeared John H. Burdakin , to me personally known, who being by me duly sworn, says that he is the President of Grand Trunk Western Railroad Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

J. Isabelle Matusko

My Commission Expires _____

J. ISABELLE MATUSKO
Notary Public, Oakland County, Mich.
Acting in Wayne County, Mich.
My Commission Expires 4-25-79

Box Cont

516 GTW 814*-819*-831*-836*-837*-884*

6

516 GTW 627*-659*-668*-694*-736*-785*-788*

7

516 GTW 844*-890*-893*

3

516 GTW 794*

1

516 GTW 600*-608*-683*

3

516 GTW 848

1

PULLMAN STANDARD CAR MFG CO.

110M 40FT
*125M 40FT

279

595 GTW 706

1

595 GTW 717

1

595 GTW 731

1

595 GTW 908

1

595 GTW 849

1

595 GTW 857

1

595 GTW 728-753-764-765-786-798-808-847-853-884-922-933-945-947-949-

15

595 GTW 732-755-824

3

595 GTW 746-748-939-948

4

595 GTW 726-742-784-819-839-864-875-877-901

9

595 GTW 702-785-787-811-816-817-837-867

8

595 GTW 873-928

2

595 GTW 804-852-859-866-885-888-894-923-940

9

595 GTW 730-783-802-812-813-848-915-944

8

595 GTW 711-716-754-818-823-827-829-832-865-882-887-902-912-934

14

595 GTW 715*-761-777-855-911-913-930

7

595 GTW 762-768-775-906-909

5

595 GTW 790-880-886

3

595 GTW 834-841-860-925

4

Box Cntr		10A 50 FT. HIGH 50 FT.	V-115M 35 FT.	129
595 GTW 840-881				2
595 GTW 712-767-772-782-788-825-838				7
595 GTW 779-818				2
595 GTW 703-765-707-741-778-792-800-883-917-920-932-941				12
595 GTW 739				1
595 GTW 747-796-806-809-871-905				6
595 GTW 781				1
595 GTW 729				1
GEN'L AMERICAN TRANS CO (1953)		110A 50 FT. HIGH 50 FT.	V-115M 35 FT.	129
596 GTW 015-023-024-027-033-034-038-042	AMERICAN CAR FOUNDRY (1954)			8
595 GTW 984-985-990	AMERICAN CAR FOUNDRY (1954)			3
596 GTW 029	AMERICAN CAR FOUNDRY (1954)			1
596 GTW 020-030	AMERICAN CAR FOUNDRY (1954)			2
595 GTW 964	AMERICAN CAR FOUNDRY (1954)			1
596 GTW 018-039	AMERICAN CAR FOUNDRY (1954)			2
595 GTW 989-998-596006	AMERICAN CAR FOUNDRY (1954)			3
596 GTW 025	AMERICAN CAR FOUNDRY (1954)			1
596 GTW 026	AMERICAN CAR FOUNDRY (1954)			1
595 GTW 954-965-981-995-596003	AMERICAN CAR FOUNDRY (1954)			5
596 GTW 014-037-040-049	AMERICAN CAR FOUNDRY (1954)			4
596 GTW 006	AMERICAN CAR FOUNDRY (1954)			1
596 GTW 004	AMERICAN CAR FOUNDRY (1954)			1
596 GTW 019-028-035	AMERICAN CAR FOUNDRY (1954)			3
595 GTW 968-974-596002	AMERICAN CAR FOUNDRY (1954)			3
596 GTW 013	AMERICAN CAR FOUNDRY (1954)			1
		110M 50 FT.		40
TOTAL Box Cntrs				721

CABOOSE									
79	67W	067-068							2
79	GTW	059-060-061-062-063-064-065-066							8
International Railway Car Co. (1957)									
									10
TOTAL CABOOSSES									10
GONDOLA									
145	GTW	700-702-703-704-705-706-707-708-712-713-714-716-717-718-719-721-722-723-725-726-727-728-729-730-731-732-733-734-735-738-739-740-741-742-743-745-746-747-748-749-752-753-754-756-757-758-759-761-762-763-764-765-766-767-768-769-772-773-774-775-776-777-778-781-782-783-784-785-786-787-788-789-791-792-793-794-795-796-797-798-800-801-802-804-805-808-809-810-811-812-813-814-815-816-817-818-819-820-822-823-824-825-826-828-829-830-831-832-833-834-835-837-838-840-841-842-843-845-846-847-848-849-850-852-853-855-857-858-859-860-861-862-863-865-866-867-869-870-872-874-875-876-877-879-881-884-885-887-888-889-890-891-892-893-895-896-898-899-902-903-904-905-906-907-908-909-910-911-912-914-915-917-918-919-920-921-923-924-925-926-927-928-930-931-933-934-935-937-938-939-940-941-942-943-944-945-946-947-948-949-950-952-954-955-956-958-959-960-961-962-963-964-966-967-968-969-970-971-973-974-975-976-977-978-979-980-982-983-984-985-986-987-988-989-990-991-992-993-998-999							331
146	GTW	000-001-002-003-004-005-006-007-008-009-010-011-012-013-014-015-017-018-019-020-021-022-023-024-025-026-027-028-029-030-031-032-033-035-036-038-039-040-041-042-043-044-045-047-048-049-050-051-052-053-054-055-056-057-058-059-060-061-062-065-066-067-068-069-070-071-072-073-074-075-076-077-078-079-080-082-083-084-085-086-088-089-090-091-092-093-095-096-097-098-099							
145	GTW	711-827-854-871-936-994-997-146087-094							9
145	GTW	751-146016							2
145	GTW	710-720-932-965-975-146081							6
Genl. American Transp. Co. (1953) 151M 1586 cubic Ft.									
									348
146	GTW	100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-131-132-134-135-136-139-140-141-142-143-144-145-146-147-148-149-151-152-153-154-155-156-157-158-159-160-161-162-163-165-166-167-168-169-170-171-172-173-174-175-176-177-179-180-182-183-184-185-186-188-190-192-193-194-195-197-199-200-202-203-204-205-206-207-208-209-210-212-213-214-215-216-217-218-221-222-223-225-226-228-229-231-232-233-235-236-237-238-239-240-241-243-244-245-246-248-249-250-251-252-253-255-256-257-258-259-260-261-262-263-264-265-267-269-270-271-273-274-275-276-277-279-280-282-283-284-285-286-287-288-289-290-291-292-293-294-297-299							168

SHEET 5 OF 6 SHEETS	
<u>Gondola Cont</u>	
146 GTW 189-196-219-224-242-278-295-296	8
146 GTW 198-247	2
146 GTW 178-181	2
GENERAL AMERICAN TRANSP. CO. (1954) 154M 1986 cubic FT.	180
<u>TOTAL Gondolas</u>	520
<u>Hopper</u>	
111 GTW 610-621-630-648-657-667-670-688-696-697-698-704-710-713-725-732-739-741-746-747-782-783-786-790-791-797-798-802-803-810-811-812-816-827-835-837-838-840-841-847-854-858-859-869-870-873-880-888-889-900-904-911-915-920-934-945-954-956-957-964-970-971-974-977-978-993-896	86
112 GTW 005-006-016-017-027-028-029-030-033-048-057-063-067-076-079-082-084-087-089	
112 GTW 099	1
111 GTW 649	1
111 GTW 633	1
112 GTW 051	1
AMERICAN CAR FOUNDRY CORP. (1952) 154M 2773 cubic FT.	90
112 GTW 101-102-103-104-105-107-109-111-112-113-114-115-116-117-118-120-121-123-124-125-126-128-129-130-131-132-134-135-136-137-138-140-141-142-143-145-147-148-150-152-153-154-155-156-159-161-163-164-165-166-167-168-170-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196	77
AMERICAN CAR FOUNDRY IND. INC. (1957) 154M 2668 cubic FT.	77
113 GTW 700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-747-748-749-750-751-752-753-754-755-756-757-758-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-801-802-803-804-805-806-807-808-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824	120

Hopper Cont

113 GTW	825-827-828-829-830-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874	48
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AMERICAN CAR FOUNDRY (1953) 154M 1958 Cubic Ft. 168

TOTAL HOPPERS 335

TOTAL GONDOLAS & HOPPERS 862

REFRIGERATOR

206 GTW	403-407-418-428-430-431-438-454	PACIFIC CAR & FOUNDRY CO. (1950) 110M 2292 Cubic Ft. 8
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TOTAL REFRIGERATOR 8

WOODCHIP

454 GTW	002-004-005-008-009	5
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454 GTW	011	1
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454 GTW	017-018-019-020-021	5
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AMERICAN CAR FOUNDRY CORP (1952) 154M 2773 Cubic Ft. 11

TOTAL WOODCHIP 11

LEASE NO. 2

Loco	42
ETC.	1613
	1655

LEASE #6

LOCOMOTIVES

DWP

3600-3601-3602-3603-3604-

3605-3606-3607-3608-3609-

3610-3611-3612-3613-3614

15

ALCO PRODUCTS INC. (1954) 1800 H.P.

TOTAL LOCOMOTIVES

15

HOPPER

DWP

113

728 759

2

AMERICAN CAR & FOUNDRY CO. (1953) ^{15MM} 1958 cubic ft. Cap.

TOTAL HOPPERS

2

LEASE NO. 6

17

LEASE #9

LOCOMOTIVES

CV

4442-4443-4444-4445-4446-

4447-4448-4449-4450

ELECTRO-MOTIVE DIV^{CH} (1956) 1750 H.P.

9

CV

4558-4559

ELECTRO-MOTIVE DIV^{CH} (1957) 1750 H.P.

2

CV

4902-4903-4904-4905-4906

ELECTRO-MOTIVE DIV^{CH} (1956) 1750 H.P.

5

TOTAL LOCOMOTIVES

16

LEASE NO. 9

16

GRAND TRUNK WESTERN RAILROAD COMPANY

10% Series D Secured Note
Due January 1, 1990

January 1, 1976

FOR VALUE RECEIVED, GRAND TRUNK WESTERN RAILROAD COMPANY, a Michigan and Indiana corporation (the "Maker") hereby promises to pay to the order of Grand Trunk Leasing Corporation (the "Payee"), or assigns, on January 1, 1990, the principal amount of \$8,589,031.56, with interest (computed on the basis of a 360-day year, 30-day month) on the unpaid balance of such principal amount from the date hereof, payable semi-annually on July 1, 1976 and on each January 1 and July 1 thereafter, at the rate of 10% per annum until such principal amount shall have become due and payable (whether at maturity or by acceleration or otherwise).

Payments of both principal and interest are to be made in lawful money of the United States of America at the office of the Maker, 131 West Lafayette Boulevard, Detroit, Michigan.

The Maker shall be entitled, at its option, to prepay at any time, in whole or in part, the principal of this note then outstanding provided that interest accrued to the date of such prepayment on the principal then prepaid shall be paid at the same time.

This note is secured by a chattel mortgage dated as of January 1, 1976 from the Maker to the Payee and the holder is entitled to the benefits of the security described therein. The entire principal of this note may become due and payable prior to the maturity date stated herein under certain conditions stated in said chattel mortgage, to which reference is hereby made for all of its contents.

The Maker, and all endorsers and guarantors, if any, hereby waive presentment for payment, demand, protest, and notice of dishonor, protest and non-payment.

This note is to be construed in accordance with and governed by the laws of the State of Michigan.

IN WITNESS WHEREOF, the Maker has caused its name to be signed and its corporate seal to be affixed hereunto by its duly authorized officers as of the date appearing first above.

GRAND TRUNK WESTERN RAILROAD COMPANY

By _____

Attest:

Secretary